4.1 AGRICULTURAL RESOURCES

4.1.1 Setting

a. Countywide Agricultural Resources. California is the leading state in agricultural production in the United States and San Luis Obispo County consistently ranks within the top 20 counties of the State in overall agricultural productivity.

Agriculture makes a substantial contribution to the County's economy and accounts for approximately 80% of the privately-owned land in the county. In 2010, San Luis Obispo County agricultural production totaled $712,808,000. The top five crops by value in San Luis Obispo County in 2010 included: wine grapes ($173,558,000), strawberries ($123,542,000), broccoli ($55,830,000), cattle and calves ($53,374,000), and avocados ($35,862,000). The cattle industry has been one of the top value agricultural commodities in the county since 1928, when crop reports were first conducted. The County has become an increasingly important wine-making region, and the trend of the 1990s to convert dry farm field crops to vineyards continues.

b. Agricultural Soils. The National Resource Conservation Service (NRCS) surveys soils and assigns a soil capability classification that is used to determine whether the soil is a prime or non-prime agricultural soil. Capability classes provide insight into the suitability of a soil for field crop uses based on factors that include texture, erosion, wetness, permeability, and fertility. By NRCS definition, Capability Class I and Class II soils qualify as prime agricultural soils, depending on irrigation. The project area contains 31,784 acres of Class I and II soils, if irrigated (refer to Figure 4.1-1). Many of these areas are not presently irrigated and therefore would not be considered prime agricultural soils; however, as a reasonable worst case assumption, they could be irrigated in the future.

c. Farmland Resources. The California Department of Conservation (DOC) Farmland Mapping and Monitoring Program (FMMP) tracks agricultural land use trends by identifying important farmlands throughout the State. San Luis Obispo County FMMP information is available for the Paso Robles Area, Coastal Part, Carrizo Plain, and Northern Santa Barbara Area Soil Survey areas only. The DOC identifies and maps lands considered to be important farmland as:[1]

- *Prime Farmland.* Prime Farmland is land that has the best combination of physical and chemical features able to sustain long-term agricultural production. This land has the soil quality, growing season, and moisture supply needed to produce sustained high yields. Land must have been used for irrigated agricultural production at some time during the four years prior to the mapping date. Prime Farmland in the mapped areas of San Luis Obispo County total 41,569 acres, including 10,983 acres in the project area.

- *Farmland of Statewide Importance.* Farmland of Statewide Importance is land similar to Prime Farmland but with minor shortcomings, such as greater slopes or less ability to

[1] Source: *California Farmland Conversion Report*, FMMP, 2008

store soil moisture. Land must have been used for irrigated agricultural production at some time during the four years prior to the mapping date. Farmland of Statewide Importance in the mapped areas of San Luis Obispo County total 21,110 acres, including 8,614 acres in the project area.

- *Unique Farmland.* Unique Farmland consists of lesser quality soils used for the production of the State's leading agricultural crops. This land is usually irrigated, but may include non-irrigated orchards or vineyards as found in some climatic zones in California. Land must have been cropped at some time during the four years prior to the mapping date. Unique Farmland in the mapped areas of San Luis Obispo County total 38,779 acres, including 15,669 acres in the project area.

- *Farmland of Local Importance.* Farmland of Local Importance includes areas of soils that meet all the characteristics of prime or statewide, with the exception of irrigation. Additional farmlands include dryland field crops of wheat, barley, oats, and safflower. Farmland of Local Importance in the mapped areas of San Luis Obispo County total 71,066 acres, including 18,819 acres in the project area.

- *Farmland of Local Potential.* Farmland of Local Potential includes lands having the potential for farmland, which have prime or statewide characteristics and are not cultivated. Farmland of Local Potential in the mapped areas of San Luis Obispo County total 238,015 acres, including 23,325 acres in the project area.

- *Grazing Land.* Grazing Land is land on which the existing vegetation is suited to the grazing of livestock. Grazing Land in the mapped areas of San Luis Obispo County total 1,183,042 acres, including 94,910 acres in the project area.

Examples of Farmland of Local Importance include dry farm areas, while examples of Farmland of Local Potential includes areas that are currently used for grazing that have soils that are suitable for farming but are not cultivated at this time. Figure 4.1-2 displays the mapped farmland classifications within the project area.

Table 4.1-1: Mapped Farmland within Project Area

Land Use	Inland Project Area (acres)	Coastal Project Area (acres)	Total
Prime Farmland	8,262	2721	10,983
Farmland of Statewide Importance	8,439	175	8,614
Unique Farmland	14,926	743	15,669
Farmland of Local Importance	17,952	867	18,819
Farmland of Local Potential	17,392	5,933	23,325
Important Farmland Subtotal	**66,971**	**10439**	**77,410**
Grazing Land	54,151	40759	94,910
Agricultural Land Subtotal	**121,122**	**51,198**	**172,320**
Other Land	6,453	3763	10,216
Urban and Built-Up Land	681	33	714
Total	**128,256**	**54,994**	**183,250**

Source: *California Farmland Conversion Report*, FMMP, 2008

Figure 4.1-1: Prime Agricultural Soils Overlay

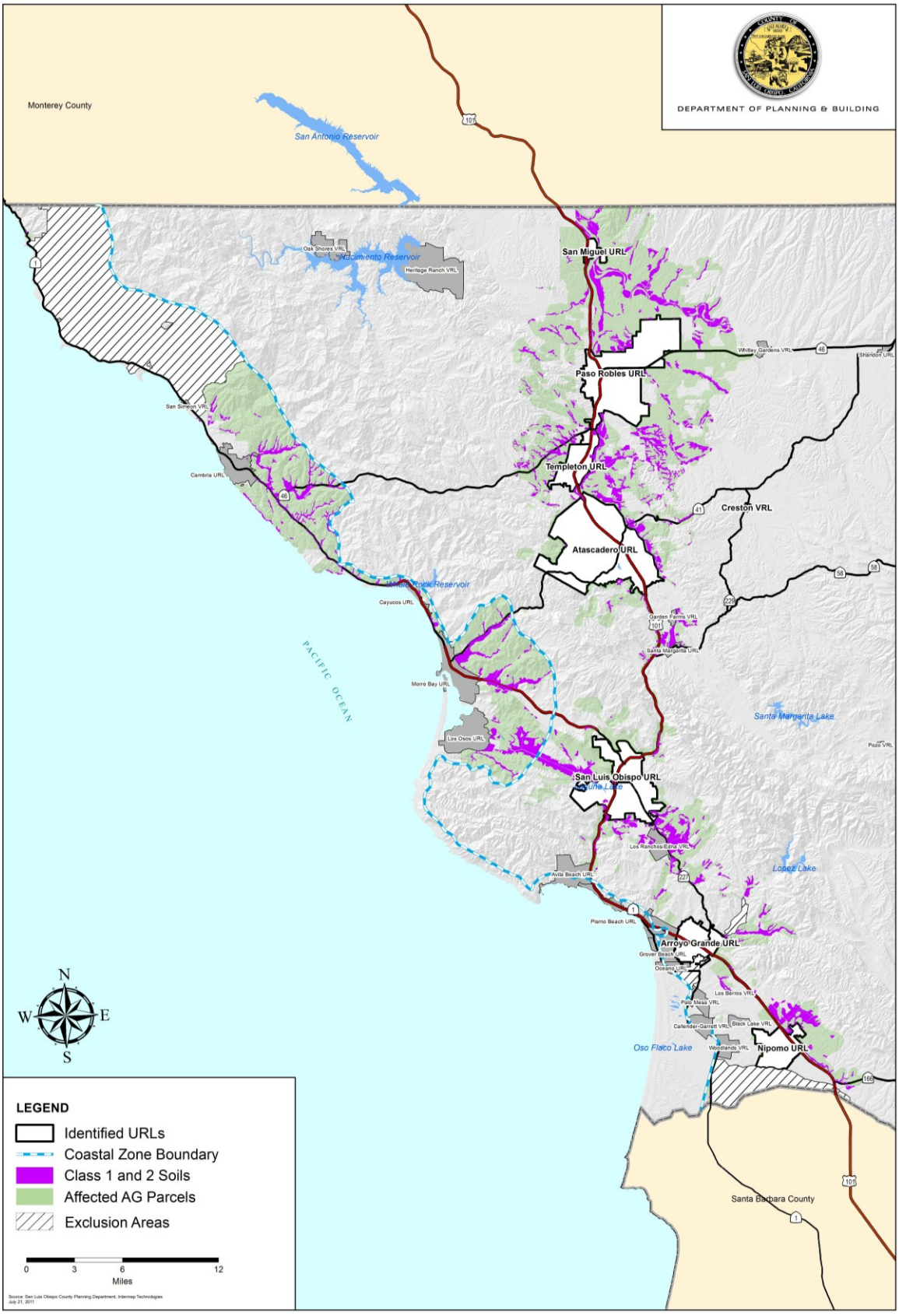

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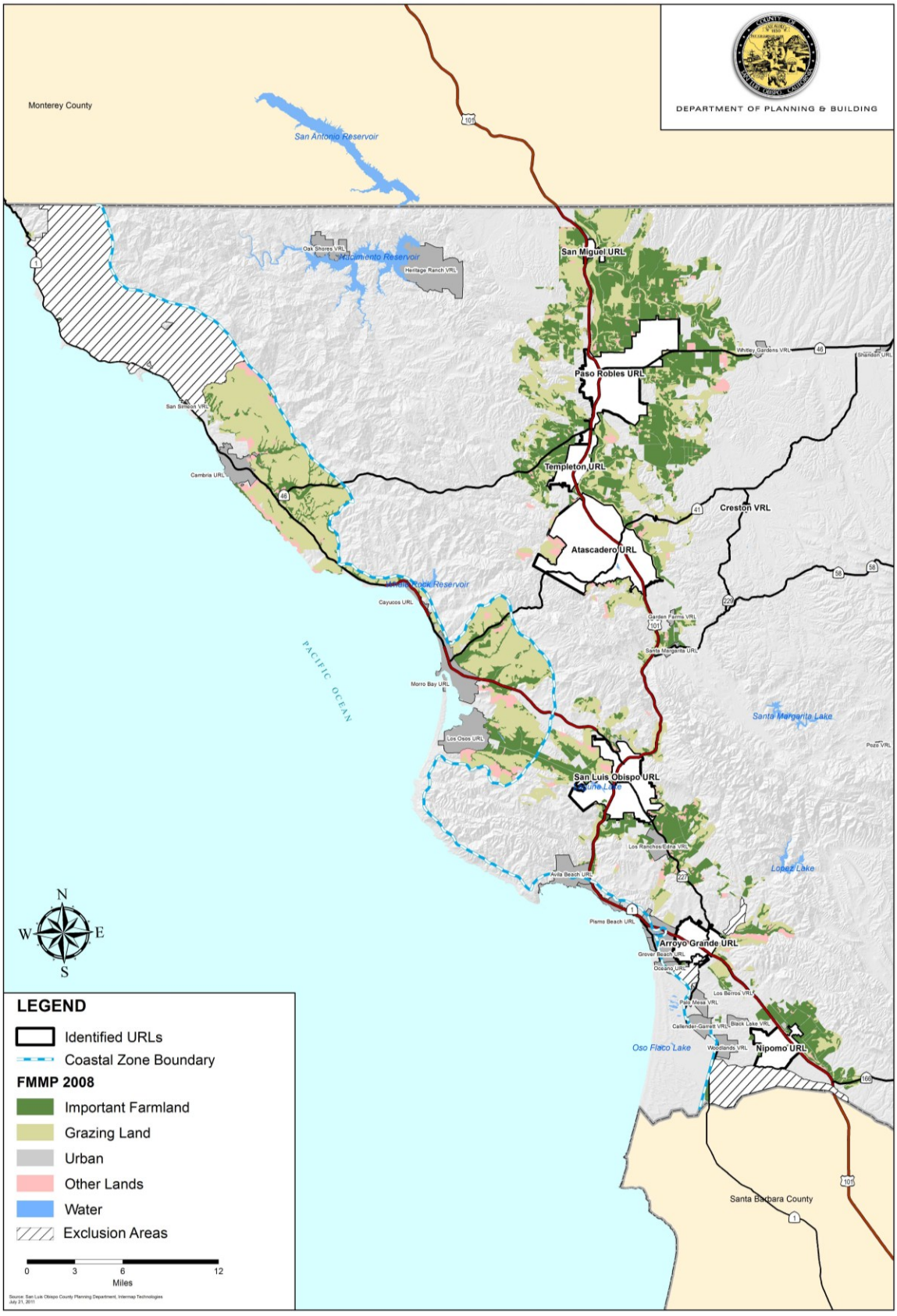
Figure 4.1-2: Important Farmland Overlay



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d. Farmland Conversion. The conversion of farmland and grazing land to non-agricultural uses is a concern within the County and across the State. The FMMP tracks farmland conversion throughout California. According to the most recent FMMP survey for San Luis Obispo County, 125 acres of important farmland were converted to Urban and Built-up Land and an additional 1,203 acres were converted to Other Land between 2006 and 2008. Additionally, 1,912 acres of grazing land were converted to Other Land (refer to Table 4.1-2). Non-agricultural uses include Urban and Built-up Land and Other Land. The Urban and Built-up Land category includes land occupied by structures with a building density of at least one unit to 1.5 acres, or approximately six structures to a 10-acre parcel. This land is used for residential, industrial, commercial, institutional, public administrative purposes, railroad and other transportation yards, cemeteries, airports, golf courses, sanitary landfills, sewage treatment, water control structures, and other developed purposes. Other Land includes land not included in any other mapping category. Common examples include low density rural developments; brush, timber, wetland, and riparian areas not suitable for livestock grazing; confined livestock, poultry or aquaculture facilities; strip mines and borrow pits; and water bodies smaller than 40 acres. Vacant and non-agricultural land surrounded on all sides by urban development and greater than 40 acres is mapped as Other Land. The majority of converted grazing land occurred as a result of two large clusters of rural residential housing built near Edna, Arroyo Grande and Nipomo (approximately 970 acres), and San Miguel, Shandon, Pozo, Atascadero, and Templeton (approximately 1,730 acres).

Table 4.1-2: County Farmland Conversion from 2006 to 2008

Land Use Category	Converted To (Acres)		
	Urban and Built-up Land	Other Land	Total Converted to Non-Agricultural Use
Prime Farmland	4	62	66
Farmland of Statewide Importance	0	44	44
Unique Farmland	0	76	76
Farmland of Local Importance	121	1,021	1,142
Important Farmland Subtotal	**125**	**1,203**	**1,328**
Grazing Land	144	1,912	2,056
Agricultural Land Total	**269**	**3,115**	**3,384**

Source: *California Farmland Conversion Report,* FMMP, 2008.

Since 1996, approximately 32,000 acres of farmland and grazing land have been converted to urban or other non-agricultural land uses within the San Luis Obispo survey area. The majority of the 2004-2006 conversion figure is the result of improved digital imagery to delineate low density "ranchette" housing throughout the county, which is characterized as other land by the FMMP. Table 4.1-3 provides a comparison of farmland conversion figures from 1996 to 2008.

Table 4.1-3: County Farmland Conversion 1996 to 2008

Reporting Period	Farmland and Grazing Land Converted To (Acres)		
	Urban and Built-up Land	Other Land	Total Converted to Non-Agricultural Use
1996-1998	101	322	423
1998-2000	2,426	906	3,332
2000-2002 (1)	1,387	6,473	7,860
2002-2004	667	1,261	1,928
2004-2006 (2)	1,387	14,068	15,455
2006-2008	269	3,115	3,384
Agricultural Land Conversion Subtotal	**6,237**	**26,145**	**32,382**

Source: *California Farmland Conversion Report, FMMP, 1996-2008*

(1) Conversion to Other Land primarily due to the identification of ranchettes

(2) Conversion to Other Land primarily due to the use of detailed digital imagery to delineate low density housing throughout the county.

e. Valuation Trends. Agricultural production valuations continue to trend upward. From 2000 to 2010, total agricultural production value increased by over $225 million (refer to Table 4.1-4). Wine grapes continue to hold the top position for value in 2010 (San Luis Obispo County Department of Agriculture/Weights and Measures Annual Crop Report, 2010).

Table 4.1-4: Comparison of Valuation of Major Groups during the Past Ten Years (in thousand dollars)

Year	Animal	Field	Nursery & Seed	Fruit & Nut	Vegetable	Total
2000	36,012	16,053	93,171	166,779	175,643	487,658
2001	46,51	17,025	90,908	182,415	152,531	489,396
2002	46,161	15,595	97,377	167,555	156,687	483,375
2003	49,181	15,161	91,476	189,144	168,423	513,386
2004	59,620	15,342	101,156	195,712	167,606	539,436
2005	58,380	18,055	100,697	243,604	172,896	593,632
2006	64,244	17,477	108,066	236,491	204,336	630,614
2007	60,078	15,462	107,674	235,135	219,746	638,095
2008	53,848	17,335	102,300	229,835	203,427	606,745
2009	55,375	15,178	93,759	271,474	187,309	623,095
2010	57,139	18,545	94,708	365,750	176,666	712,808

Source: *San Luis Obispo County Department of Agriculture Weights and Measures, 2010.*

f. Agricultural Preserves (Land Conservation Act). The County's agricultural preserve program was created to implement the California Land Conservation Act of 1965, also known as the Williamson Act. Passed by the California Legislature over 40 years ago, the program was designed to protect agricultural and open space lands from urban development. The preservation tool also serves as a tax relief program allowing local governments to enter into contracts with private landowners for the purpose of restricting specific land parcels to

agricultural or related open space use. In turn, landowners are able to receive lower tax assessments based on agricultural or open-space uses rather than speculative value. Until recently, the State has traditionally partially reimbursed participating counties with subvention funds for this foregone tax revenue from contracted properties.

Lands that enter into the County's agricultural preserve program are subject to zoning restrictions including parcel size restrictions ranging from 40 acres for prime land and 100 acres for non-prime land. A Williamson Act contract is a legal contract between a landowner and a land-regulating agency under the Williamson Act (i.e., the County). Under Williamson Act contract, the property owner agrees not to develop the property for a period of 10 to 20 years. The contract automatically renews each year for a new 10-year period unless the owner files a Notice of Non-Renewal to indicate his or her intention to terminate the contract at the end of the current 10-year period. Williamson Act contracts may also be terminated by a public agency if the property under contract is being acquired for another purpose in the public's interest under eminent domain or other public acquisition procedures.

g. Regulatory Setting.

San Luis Obispo County Agriculture Element. The Agriculture Element (AE) of the San Luis Obispo County General Plan provides a background on agricultural resources within the County. Through the goals, policies, implementation programs and measures provided within the document, the County's intent is "To promote and protect the agricultural industry of the County, to provide for continuing sound and healthy agriculture in the County, and to encourage a productive and profitable agricultural industry."

Agricultural Buffer Policies. The County of San Luis Obispo Board of Supervisors has adopted agricultural buffer policies. These policies are intended to promote and protect agriculture while minimizing urban/agricultural land use conflicts. In accordance with these policies, the County Agricultural Commissioner reviews individual projects that are located on or adjacent to agricultural land and recommends buffer setbacks on a case-by-case basis. Recommended buffers vary considerably based on crop type, production practices, and site or project specific factors. The following range of buffer setback distances by crop type is provided in the adopted buffer policies:

Table 4.1-5: Required Buffer Distance by Crop Type

Type of Agricultural Use	Buffer Distance Range (feet)
Vineyard	400 – 800
Irrigated orchards	300 – 800
Irrigated vegetables and berries	200 – 500
Field crops	100 – 400
Dry farm almonds	100 – 200
Rangeland/pasture	50 – 200
Wholesale nurseries	100 – 200

Source: *San Luis Obispo County Adopted Agricultural Buffer Policies*

San Luis Obispo Conservation and Open Space Element. The Conservation and Open Space Element (COSE) of the San Luis Obispo County General Plan seeks to conserve and protect important natural resources while balancing the needs of the natural and built environment. One focus of the COSE is the protection of agricultural land. Chapter 6 of the COSE, Soil Resources, contains policies and implementation programs that protect important agricultural soils from conversion to urban residential uses. Important agricultural soils are defined in the COSE and include Prime Farmland using both federal and state definitions; Soils of Statewide Importance; Other Productive Soils, and Highly Productive Rangeland Soils. Chapter 10 of the COSE, Water Resources, contains policies and implementation programs to protect agricultural water supplies from competition by incompatible development.

California Land Conservation Act of 1965. The California Land Conservation Act of 1965, also known as the Williamson Act, encourages and enables local governments to enter into contracts with private landowners to restrict specific parcels of land to agricultural or related open space use (refer to Section 4.1.1.d). In return, landowners receive property tax assessments that are much lower than normal because they are based upon fanning uses rather than full market value. Until recently, local governments have received a partial subsidy for forgone property tax revenues from the state via the Open Space Subvention Act of 1971.

San Luis Obispo County "Right-to-Farm" Ordinance. The San Luis Obispo County "Right-to-Farm" Ordinance states that the use of real property for agricultural operations is a high priority and favored use. Ordinance No. 2561 (January 2002) added Chapter 5.16 to Title 5 of the San Luis Obispo County Code relating to Agricultural Lands, Operations, and the Right to Farm. Paragraph (b) of Section 5.16.020 (Findings and Policy) states:

> *Where non-agricultural land uses occur near agricultural areas, agricultural operations frequently become the subjects of nuisance complaints due to lack of information about such operations. As a result, agricultural operators may be forced to cease or curtail their operations. Such actions discourage investments in farm improvements to the detriment of agricultural uses and the viability of the County's agricultural industry as a whole.*

The right-to-farm ordinance advises purchasers of residential and other property types adjacent to existing agricultural operations of the inherent potential problems associated with the purchase of such property. Such concerns may include, but are not limited to, the noises, odors, dust, chemicals, smoke, and hours of operation that may accompany agricultural operations.

Pre-existing agricultural uses are not a nuisance (Section 5.16030). California Civil Code Section 3479 defines a "nuisance" as anything which is injurious to health, is indecent or offensive to the senses, or is an obstruction to the use of property, so as to interfere with the comfortable enjoyment of life or property. San Luis Obispo County has determined that the use of real property for agricultural operations is a high priority and favored use to the County, and those inconveniences or discomforts arising from legally established agricultural activities or operations, as defined in the San Luis Obispo County Code, or State law, shall not be or become a nuisance. Therefore, proposed projects near agricultural lands will continue to be subject to those inconveniences or discomforts arising from adjacent and surrounding agricultural operations which, if conducted in a manner consistent with State law and County code, shall not be or become a nuisance.

Paso Robles Purple Belt Program. The City of Paso Robles has established a voluntary Purple Belt program based on General Plan goals that aim to: 1) provide tools and support to assist property owners that want to continue their agricultural operations; 2) support the regions' agricultural economy; and 3) maintain the rural, agrarian landscape around the City while also recognizing the need to accommodate additional urban development.

4.1.2 Impact Analysis

a. Methodology and Significance Thresholds. The conversion of important farmland to non-agricultural use or impairment of the productivity of important farmland is a significant impact. The conversion of important farmland in areas currently designated Agriculture to urban uses constitutes such an impact. As a reasonable worst case scenario, this EIR assumes all agricultural land converted as a result of an agricultural cluster subdivision would meet the State's definition of important farmland. Important farmland includes Prime Farmland, Farmland of Statewide Importance, Unique Farmland, Farmland of Local Importance, and Farmland of Local Potential.

To satisfy CEQA requirements, conclusions are made regarding the significance of each identified impact that would result from the proposed amendments. Appropriate criteria have been identified and used to make these significance conclusions. The following significance criteria for agricultural resources were derived from the San Luis Obispo County Environmental Checklist, previous environmental analyses and from the CEQA Guidelines (Appendix G, Environmental Checklist Form, Section IX). Impacts of the proposed amendments would be considered significant and would require mitigation if the project would:

- *Convert prime farmland, unique farmland, or farmland of statewide importance (Important Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use.* Refer to Impact AG-1, below.
- *Convert prime agricultural soils (NRCS Class I and II soils) to non-agricultural use.* Refer to Impact AG-2, below.
- *Conflict with existing zoning for agricultural use, or a Williamson Act contract.* Refer to Section 4.13: Effects Founds Not to be Significant.
- *Involve other changes in the existing environment which, due to their location or nature, could result in conversion of farmland, to non-agricultural use.* Refer to Impact AG-3, below.
- *Impair agricultural use of other property or result in conversion to other uses.* Refer to Impact AG-3, below.
- *Be potentially inconsistent with the policies and objectives in the County's Agriculture Element and Conservation and Open Space Element.* Refer to Impact AG-4, below.

b. Project Impacts and Mitigation Measures.

Impact AG-1 **Development under the proposed Agricultural Cluster Subdivision Program could convert important farmland, as mapped by the California Department of Conservation, in areas currently designated Agriculture to residential and non-agricultural uses. When compared to development potential under the existing ordinance, the program would be expected to have fewer impacts. Impacts compared to the existing ordinance would therefore be Class III, *less than significant.* Compared to existing conditions, impacts would be Class I, *significant and unavoidable.***

Compared to Development Potential under the Existing Ordinance

Elimination of Minor Clusters. The proposed program revisions would eliminate the distinction between major and minor clusters. Currently, Section 22.22.150 (Agricultural Lands Clustering) of the County's Land Use Ordinance (LUO) provides separate requirements for "major" agricultural cluster projects and "minor" agricultural cluster projects. Major agricultural cluster projects are those located within five miles of an identified urban or village reserve line (URL or VRL), and qualify for a residential parcel bonus of 100%. Minor agricultural cluster projects can be located anywhere in the Inland portion of the county (on land designated Agriculture or Rural Lands), and qualify for a parcel bonus of 25%. The proposed ordinance revision would remove the distinction between the two types of agricultural clusters. In doing so, it would effectively eliminate the minor agricultural cluster altogether, such that agricultural cluster projects would no longer be allowed outside an established distance from a URL. The effect of this change, compared to the development potential of the existing ordinance, would be less agricultural cluster development throughout the Inland portion of the county and thus reduced potential for important farmland to be converted due to implementation of residential uses and associated urban improvements. As the minor agricultural cluster planning tool would effectively be eliminated under the revised ordinance, the remaining program revisions can be viewed as alterations to the major agricultural cluster, as currently outlined in Section 22.22.150 of the County's LUO.

Rural Lands Exclusion. This proposed program revision would eliminate agricultural cluster subdivisions as an option in the Rural Lands (RL) category. The existing ordinance allows for agricultural cluster subdivisions in the RL category if the parcel is in agricultural use at the time of application. Under the revised ordinance, RL properties would no longer be eligible for agricultural cluster subdivisions, regardless of current land use. RL designated property is located throughout the County, with concentrations in the southeastern portion of the County, to the southeast of Atascadero, and to the northwest of Avila Beach. Scattered RL parcels are also common in the northwestern portion of the County. Excluding these lands from the proposed program would result in fewer areas of the county being eligible for agricultural cluster subdivision.

It should be noted that RL properties would still be eligible for standard (non-agricultural) cluster divisions in accordance with LUO Section 22.22.140. The proposed program would not alter Section 22.22.140 requirements. Rather, it would eliminate the possibility of agricultural clusters in these areas. Therefore, the net impact of removing RL lands from being eligible for agricultural cluster subdivision would be a reduction in the amount of important farmland converted to non-agricultural use due to implementation of residential uses and associated urban improvements associated with the agricultural cluster density bonus.

URL Distance Reduction. This proposed program revision would modify agricultural cluster eligibility criteria to include only parcels within five road miles of the urban reserve lines (URLs) of Arroyo Grande, Atascadero, San Luis Obispo, San Miguel, Nipomo, Templeton, and Paso Robles. The existing ordinance allows major agricultural clusters within five miles of these URLs, as well as within five miles of the Santa Maria and Creston village reserve lines (VRLs). It also allows minor agricultural clusters throughout the Inland portion of the county, regardless of proximity to urban areas. The result of this program revision would be a substantial reduction in the areas of the county eligible for agricultural cluster subdivision. Specifically, this program revision would reduce build-out potential by an estimated 2,902 residential cluster parcels. Substantially less important farmland would therefore be converted to non-agricultural use as a result of this revision.

Eliminate Agricultural Cluster Development Associated with Properties under Williamson Act Contract. The existing ordinance does not allow lands under Williamson Act contract to be used for agricultural cluster subdivisions. However, the existing ordinance does stipulate that if ownership includes contiguous non-contracted lands, the allowable number of cluster parcels (from the Williamson Act lands) may be clustered on the non-contract lands. In other words, although the Williamson Act lands themselves cannot be developed, they can provide qualifying density for an adjacent cluster. As of 2007, over 794,000 acres were enrolled in Williamson Act contracts in San Luis Obispo County (California Department of Conservation, *California Land Conservation (Williamson) Act 2008 Status Report,* February 2009). The proposed program revisions would eliminate the provision that Williamson Act lands can provide qualifying density. This change would reduce the total development potential of agricultural cluster subdivisions throughout the county. The total amount of important farmland converted to non-agricultural use would consequently be reduced. In addition, this would reduce potential conflicts with Williamson Act contract lands, compared to the existing ordinance.

Density Bonus Elimination. This proposed program revision would modify the way the number of allowable residential cluster parcels is calculated. Under the existing ordinance, the maximum number of residential parcels allowed in a major agricultural cluster project is equivalent to the number of primary dwellings normally allowed under a *presumed* conventional land division, plus a parcel density bonus of up to 100 percent. Under the revised ordinance, density would be determined based on *demonstrated* conventional land division and a minimum 40 acre standard, with no parcel density bonus. Because bonus residential parcels would not be allowed with the revised ordinance, fewer residential parcels would be created and less overall site disturbance would occur. Specifically, this program revision would reduce build-out potential by approximately 1,261 units. Therefore, the total amount of important farmland converted to non-agricultural use would be substantially reduced.

Increase Minimum Cluster Parcel Size. Currently, the residential parcel size for a major agricultural cluster project may be as small as 10,000 square feet (or approximately 0.2 acre), while the minimum residential parcel size for a minor cluster is 20,000 square feet (or approximately 0.5 acre). Under the proposed program revisions, residential parcels would be required to be a minimum of 2.5 acres in order to provide adequate site area for individual on-site wells, septic systems, and agricultural buffers. Residential cluster parcels may be increased to a maximum size of 5 acres, if necessary to accommodate the required agricultural buffers.

The proposed change to the minimum residential parcel size has the potential to decrease the number of residences that could result from an agricultural cluster subdivision. This is due to the fact that the 2.5-acre minimum parcel size could make it difficult for an agricultural cluster project to achieve the maximum number of possible residential parcels and other residential components within the required 5 percent developable area. For example, a property with 360 acres of vineyards may qualify for up to 9 residential cluster parcels; however, given the 2.5-acre minimum size, these 9 cluster parcels would occupy an area of 22.5 acres or 6.25 percent of the overall 360-acre property. In this scenario, the project would have to be reduced from 9 to 7 cluster parcels in order to comply with the 5 percent limitation on residential development. However, with the current minimum parcel size of 10,000 square feet, the total land area occupied by these 9 cluster parcels could be accommodated within the 5 percent development envelope.

The scenario described above, however, overstates the effect of parcel size on development potential for two reasons. First, previous experience has shown that it's uncommon for a property to qualify for an agricultural cluster subdivision with only the minimum acreage of a qualifying use. More often, agricultural properties contain additional undeveloped land which is either not in agricultural production or is used for grazing. This land could provide the additional area needed to accommodate the residential cluster parcels without causing the total residential area to exceed the 5 percent limitation. Second, even with 10,000 square-foot cluster parcels, the need to meet agricultural buffer requirements and provide community water and wastewater systems would result in similar limitations as the 2.5-acre minimum parcel size relative to the 5 percent developable area. In other words, although a cluster subdivision could accommodate more 10,000 square-foot parcels within 5 percent of the site, the agricultural buffers and residential infrastructure for these parcels would have to be accommodated on the agricultural parcel and would be counted towards the 5 percent developable area. Consequently, this restriction would not significantly change the number of parcels or units allowed in an agricultural cluster project, and therefore would not affect the overall amount of site disturbance that would occur on each lot. The amount of direct agricultural land conversion due to this ordinance revision would therefore not change.

Textual Revisions and Clarifications. In addition to the substantive ordinance changes discussed above, the proposed program includes several textual revisions and clarifications that could slightly change the impact to agricultural resources when compared to the existing ordinance. This includes: the addition of design standards, requiring protection of farmland by an agricultural preservation easement, adding application requirements, and clarifying agricultural buffer requirements.

The proposed design standards would require that cluster lots be physically contiguous to one another and be located in a single cluster area (or two, if site-specific environmental conditions warrant), and would also clarify that roads and other residential infrastructure be counted in the calculation of developable area. Although the existing ordinance suggests that parcels be clustered to the maximum extent feasible, the proposed design standards would clarify and strengthen this requirement. In the past, land area between non-contiguous lots would be considered converted to non-agricultural use, due to the fact that these areas could not viably be used for continued agricultural production. Therefore, by strictly adhering to the requirement that lots be located adjacent to one another, the overall site impact within a cluster development would be minimized. Conversion of important farmland would therefore be reduced as a result of this language revision.

The proposed ordinance revisions would modify and expand the application requirements for an agricultural cluster subdivision. This revision would not change the amount or location of potential development under the ordinance, and therefore would not directly alter the amount of farmland conversion that could occur. However, the additional requirements would better ensure compliance with the ordinance and would remove a presumption of subdivision. In other words, it would better ensure that only properly designed agricultural clusters are approved, which would secondarily improve overall agricultural conservation.

Finally, the proposed ordinance revisions would include language revisions to clarify the existing agricultural buffer requirement (which states that required agricultural buffers be located on the residential parcel). The actual buffer requirement would not change. However, the language revisions would improve compliance with this requirement. Full compliance with this requirement would result in a reduction in the amount of farmland land converted to non-agricultural use, because buffers could not be erroneously placed on the agricultural parcel.

Clustering Provisions in the Coastal Zone. The proposed revisions would allow for the reconfiguration of existing underlying lots in the Coastal Zone into residential cluster lots. Many of these underlying lots could already be reconfigured under the existing ordinance through a lot line adjustment. Under the proposed amendments, any such lot line adjustment would be required to be processed under the more restrictive agricultural clustering standards. Agricultural lots adjusted under the program would be required to comply with various restrictive provisions intended to minimize the conversion of agricultural land (see discussion above). Similar provisions are not statutorily required for proposed lot line adjustments. Therefore, when compared to the existing ordinance, the proposed amendments would be anticipated to reduce the amount of important farmland converted to residential and non-agricultural uses in the Coastal Zone.

Summary. The proposed changes to the agricultural cluster subdivision ordinance would result in fewer overall impacts related to the conversion of important farmland and fewer conflicts with Williamson Act contracts, when compared to potential development that could be allowed under the existing ordinance. The program would also introduce the Agricultural Cluster Subdivision Program into the Coastal Zone; however, the Coastal version of the program would only authorize the reconfiguration of existing underlying lots into residential cluster lots, essentially replacing current lot line adjustment procedures with more restrictive agricultural clustering standards. Impacts compared to the existing ordinance are therefore anticipated to be Class III, *less than significant.*

Compared to Existing Conditions

Compared to existing conditions, the proposed ordinance revisions could result in the development of up to 418 new residences in agricultural areas within five miles of the following URLs: Arroyo Grande, Atascadero, San Luis Obispo, San Miguel, Nipomo, Templeton, and Paso Robles. Based on a minimum lot size of 2.5 acres and a maximum lot size of 5 acres, this could result in the conversion of between 1,045 and 2,090 acres (less than one percent of the 223,656 acre project area) of agricultural land to residential and non-agricultural uses. As a reasonable worst case scenario, it's assumed that 100 percent of this land would be comprised of important farmland. The program would also allow for the reconfiguration of legally established underlying lots in the Coastal Zone to accommodate residential development~~; however, given the relatively small number of verified underlying lots in the Coastal Zone and the fact that many of these lots could already be developed in their current configuration with fewer restrictions than would be required under the proposed amendments, the program is not anticipated to result in a significant number of new cluster lots in the Coastal Zone~~. Not including the proposed exclusion areas, there are 588 privately-owned assessor parcels in the Agriculture land use category in the Coastal Zone. Of these, 320 lots have been identified as legally established in the eligible areas of the Coastal Zone. Many of these parcels are already developed with residential uses and the vacant parcels have varying capabilities for future development. Some may easily be developed with residential uses without being reconfigured, while others may have environmental or physical constraints that limit their potential under the proposed agricultural cluster subdivision program. This leaves a relatively small number of underlying lots that may ultimately be reconfigured into clustered lots in the Coastal Zone. Nevertheless, ~~implementation of~~ the program ~~e~~would allow new residences to be constructed in agricultural areas of the Coastal Zone, but they would be developed in a more compact, environmentally sensitive manner when compared to traditional lot patterning. As a result~~, in~~ the conversion of important farmland to residential and non-agricultural uses could occur in the Coastal Zone.

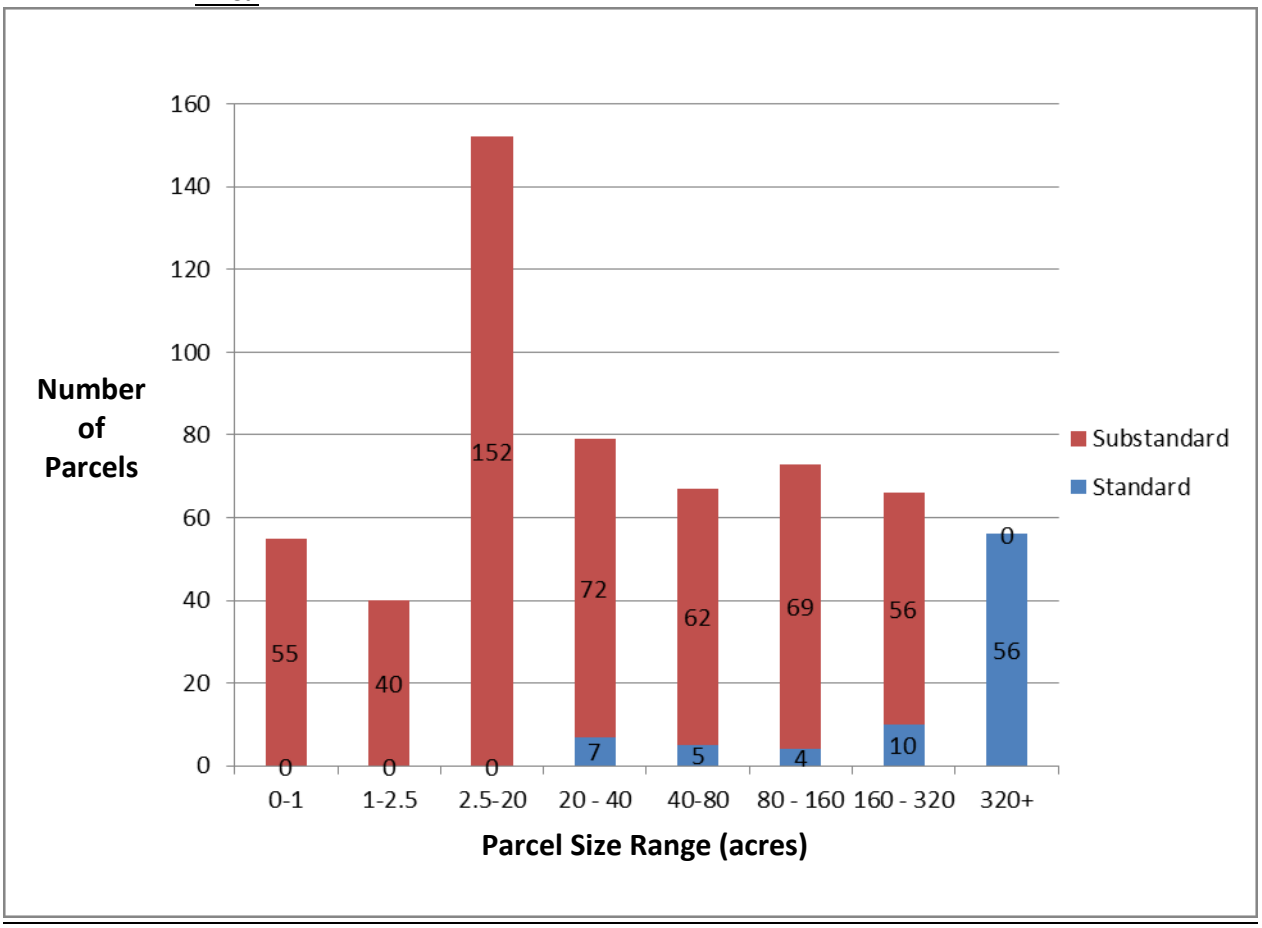
In addition, eighty-six percent (506) of the 588 privately-owned assessor parcels are substandard in size when compared to the minimum parcel sizes set forth in the Coastal Zone Land Use Ordinance[2] (refer to Figure 4.1-3). The substandard lots significantly outnumber standard lots and they are located prevalently throughout the Coastal Zone. These parcels are susceptible to conversion because their value in the rural residential housing market, in many cases, will exceed their agricultural production value. The proposed ordinance offers one solution to this problem by enabling farmers to extract the residential value of their property while keeping the family farm intact.

The proposed program contains design standards and restrictions intended to limit the extent of agricultural conversion. This includes the requirement that cluster lots be physically contiguous to each other and located in a single cluster area (or two, if environmental conditions warrant). Further, agricultural buffers would be located on the residential parcel (rather than adjacent agricultural land), and the agriculture remainder parcel would be placed in an agricultural preservation easement, which would ensure that future subdivision or other development in that area is prohibited). The program would also retain the existing ordinance standard prohibiting residential development on prime agricultural soils. Nevertheless, despite

[2]CZLUO Section 23.04.024.c

these design standards and restrictions, impacts related to the conversion of important farmland to non-agricultural use would be potentially significant.

Figure 4.1-3: Distribution of Standard and Substandard Parcels within the Coastal Project Area



It should be noted, however, that the proposed ordinance does not include a density bonus, and the maximum number of residential cluster parcels allowed would be based on the number of parcels that would result from a demonstrated conventional land division applying the use test minimum parcel size criteria in Section 22.22.040 of the LUO. Therefore, the Agricultural Cluster Subdivision Program does not change the amount of development that could otherwise occur. Rather, it dictates where it should be located, with the overarching intent of preserving the majority of the site in agricultural production. Nevertheless, compared to the CEQA baseline (existing physical conditions), the potential development of 418 new residences and associated conversion of important farmland would be considered a Class I, *significant and unavoidable*, impact.

Mitigation Measures. Although the proposed Agricultural Cluster Subdivision Program would result in beneficial impacts compared to potential build-out under the existing agricultural cluster subdivision ordinance, CEQA requires that potential impacts be compared to the existing baseline physical conditions. As noted above, while the proposed program

includes design standards to minimize agricultural impacts, it would still result in the conversion of between 1,045 and 2,090 acres of important farmland to residential and non-agricultural use. No measures are available that would avoid, minimize, or otherwise directly mitigate this loss of important farmland.

Residual Impacts. When compared to development potential under the existing ordinance, impacts would be Class III, *less than significant*. When compared to existing conditions, impacts would be Class I, *significant and unavoidable*.

Impact AG-2 **The proposed Agricultural Cluster Subdivision Program could result in the conversion of prime agricultural soils in areas currently designated Agriculture to residential and non-agricultural uses. Impacts compared to both the existing ordinance and existing conditions would be Class III, *less than significant*.**

Compared to Development Potential under Existing Ordinance

Both the existing agricultural cluster subdivision ordinance and the CZLUO contain provisions prohibiting the development of new structures on soils with an NRCS capability classification of I or II ("prime soils"). Since this requirement would not change under the proposed amendments, impacts related to the conversion of prime agricultural soils to residential and non-agricultural uses would be Class III, *less than significant*, when compared to the existing ordinance.

Compared to Existing Conditions

The proposed amendments would retain the existing ordinance standards prohibiting residential development on prime agricultural soils, and would specify that residential development includes: "residential cluster parcels, roadways and access drives, water and wastewater systems, agricultural buffers, drainage basins, and any other areas of the project site that may be removed from agricultural production to accommodate residential development." With implementation of this standard, residential development would not be located on prime agricultural soils. Impacts related to the conversion of prime soils would therefore be Class III, *less than significant*.

Mitigation Measures. Existing ordinance standards would prohibit residential development on prime agricultural soils. As a result, no mitigation measures are required.

Residual Impacts. Impacts would be Class III, *less than significant*, when compared in relation to both the existing ordinance and existing conditions.

Impact AG-3 **The proposed Agricultural Cluster Subdivision Program could result in impacts related to agricultural/urban land use conflicts. When compared to development potential under the existing ordinance, the program would be expected to have fewer impacts. Impacts compared to both the existing ordinance and existing conditions would be Class III, *less than significant.***

The types of potential land use conflicts that can occur between agricultural and residential land uses are described below. The potential for specific aspects of the proposed Agricultural Cluster Subdivision Program to result in these conflicts are then assessed.

Impacts to Agricultural Uses. Residential development adjacent to farmland can have several negative impacts on the continued on-site and adjacent agricultural production activities. Direct physical impacts resulting from trespassing may include vandalism to farm equipment and theft of crops, as well as the limitation of pesticide application. These can result in indirect economic impacts.

Other indirect impacts to agriculture from nearby urban uses can affect the long-term viability of such operations. Increased regulations and liability insurance to protect the farmer from adjacent urban uses cost time and money. Some farmers who are sensitive to nearby public uses voluntarily limit their hours of operation and do not intensively use the portions of their property closest to urban uses, in effect establishing informal buffer zones on their own property. This has the effect of lowering the crop yield, and therefore the long-term economic viability, of the agricultural operation. Over time, this may provide an incentive for the property owners of adjacent lands under Williamson Act contract to file a notice of non-renewal to terminate their contracts.

Impacts to Residential Uses. Residents living adjacent to farmland commonly cite odor nuisance impacts, noise from farm equipment, dust, and pesticide spraying as typical land use conflicts. Other incompatibilities include unpredictable behavior by cattle in the presence of pedestrians, bicyclists, and/or domestic pets. The County's right to farm ordinance provides, as a good neighbor policy, for disclosure to residents of the inherent potential problems associated with the purchase of residential properties adjacent to agricultural uses [Sec 5.16.020]. In addition, the ordinance also provides for alternative dispute resolution [Sec 5.16.090].

Compared to Development Potential under the Existing Ordinance

As discussed under Impact AG-1, the following proposed program revisions would reduce overall development potential in agricultural areas of the county: elimination of minor agricultural clusters, elimination of agricultural cluster subdivision as an option in the RL category, reducing the distance to URLs for agricultural cluster eligibility, elimination of agricultural cluster development associated with properties under Williamson Act contract, and elimination of the density bonus. The result of these revisions would be that 4,163 fewer residential units could be constructed as the result of agricultural cluster subdivisions, and therefore fewer incompatible uses and residents would be introduced into agricultural areas. In

addition, the proposed program revisions would increase minimum residential parcel sizes from 10,000 square feet to 2.5 acres, with a maximum lot size of 5 acres. The larger lot sizes would allow for greater distance between new residences and adjacent agricultural uses, thereby reducing the residential/agricultural interface and potential for conflicts. In particular, the potential for nuisances from pesticides, noise, dust, and odors would be reduced.

The proposed revisions would also allow for the reconfiguration of existing underlying lots in the Coastal Zone into residential cluster lots. Many of these underlying lots could already be reconfigured under the existing ordinance through a lot line adjustment. Under the proposed amendments, any such lot line adjustment would be required to be processed under the more restrictive agricultural clustering standards. Agricultural lots adjusted under the program would be required to comply with various restrictive provisions intended to minimize land use compatibility impacts (see discussion above). Similar provisions are not statutorily required for proposed lot line adjustments. Therefore, when compared to the existing ordinance, the proposed amendments would be anticipated to reduce residential/agricultural land use conflicts in the Coastal Zone.

The proposed program revisions also include the addition of design standards that would require that cluster lots be physically contiguous to one another within a single cluster area (or two, if environmental conditions warrant). Although the existing ordinance suggests that parcels be clustered to the maximum extent feasible, the proposed design standards would clarify and strengthen this requirement. With strict adherence to such a requirement, lots interior to a cluster subdivision would be sufficiently separated from adjacent agricultural uses by other residences. As a result, only the residences on the exterior of the cluster would be exposed to direct nuisance impacts from adjacent agriculture.

In addition to design standards, the proposed ordinance revisions would include language revisions to clarify the existing agricultural buffer requirement (which states that required agricultural buffers be located on the residential parcel). The actual buffer requirement would not change. However, the language revisions would improve compliance with this requirement. Full compliance with this requirement would result in improved compatibility between residential and agricultural uses. Adequate buffer distances between new residences and adjacent agricultural uses would reduce the potential for nuisances from pesticides, noise, dust, and odors.

Compared to Existing Conditions

Compared to existing conditions, the proposed ordinance revisions could result in the development of up to 418 new residences in agricultural areas within five miles of the following URLs: Arroyo Grande, Atascadero, San Luis Obispo, San Miguel, Nipomo, Templeton, and Paso Robles. The program would also allow for the reconfiguration of legally established underlying lots in the Coastal Zone to accommodate residential development; however, given the relatively small number of verified underlying lots in the Coastal Zone and the fact that many of these lots could already be developed in their current configuration with few restrictions, the program is not anticipated to result in a significant number of new cluster lots in the Coastal Zone. Nevertheless, the program would allow new residences to be constructed in agricultural areas of the Coastal Zone.

Placing new residences in areas currently used for agricultural production (and that would continue to be used for agriculture, as stipulated in the proposed ordinance), would result in incompatibilities between land uses. As noted above, this includes: impacts to agriculture (through vandalism, theft, and limitations on pesticide application) and impacts to residents (including nuisances related to odor, noise, dust, and pesticide spraying).

These incompatibilities can affect the long-term viability of agricultural operations. Increased regulations and liability insurance to protect the farmer from adjacent urban uses cost time and money. Some farmers who are sensitive to nearby public uses voluntarily limit their hours of operation and do not intensively use the portions of their property closest to urban uses, in effect establishing informal buffer zones on their own property. This has the effect of lowering the crop yield, and therefore the long-term economic viability, of the agricultural operation. Over time, this can lead to fallow land, or premature conversion to urban use. Under the proposed ordinance, however, agricultural areas within the cluster subdivision would be required to be placed in an agricultural preservation easement, which would ensure that the land remains undeveloped.

It should be noted that the proposed ordinance contains design standards and restrictions intended to improve compatibility between residential and agricultural land uses. This includes design standards requiring that cluster lots be physically contiguous to each other and located in a single cluster area (or two, if environmental conditions warrant). Lots interior to a cluster subdivision would therefore be sufficiently separated from adjacent agricultural uses by other residences. As a result, only the residences on the exterior of the cluster would be exposed to direct nuisance impacts from adjacent agriculture. Further, agricultural buffers would be required on residential parcels, in accordance with County Department of Agriculture/ Measurement Standards requirements. Buffer distances would vary depending on the type of adjacent agricultural use (intensive uses resulting in larger distances).

In addition to these design standards, future applicants would be required to maintain County recommended agricultural buffers, which would be placed on the proposed residential parcel (as would be required in the proposed ordinance). Further, the County's existing right-to-farm ordinance would stipulate that future residents be notified of potential impacts associated with agricultural operations, and that such operations shall not be considered a nuisance. These existing provisions would ensure that any conflicts remaining after implementation of proposed design standards are reduced to the extent feasible. Impacts would therefore be Class III, *less than significant,* without mitigation.

Mitigation Measures. No mitigation measures are required.

Residual Impacts. Impacts would be Class III, *less than significant*, when compared in relation to both the existing ordinance and existing conditions.

Impact AG-4 **The proposed Agricultural Cluster Subdivision Program could result in development that may be inconsistent with policies in the Agriculture Element (AE) and Conservation and Open Space Element (COSE) of the County General Plan. Compared to the existing ordinance and existing conditions, the proposed program would be potentially consistent with applicable AE and COSE policies.**

Consistency of the proposed Agricultural Cluster Subdivision Program with key policies in the Agriculture Element and COSE is discussed below.

Compared to Development Potential under the Existing Ordinance

AGRICULTURE POLICY 17: Agricultural Buffers.

a. *Protect land designated Agriculture and other lands in production agriculture by using natural or man-made buffers where adjacent to non-agricultural land uses in accordance with the agricultural buffer policies adopted by the Board of Supervisor.*

The proposed amendments would include language revisions to clarify the existing agricultural buffer requirement, which states that required agricultural buffers be located on the residential parcel. Although the actual buffer requirement would not change, the language revisions would improve compliance with this requirement. Full compliance with this requirement would result in a slight reduction in the amount of land converted to non-agricultural use, because buffers could not be erroneously placed on the agricultural parcel. In addition, it would ensure that agricultural buffer requirements are met, thereby improving consistency with Agriculture Policy 17 when compared to the existing ordinance.

AGRICULTURE POLICY 18: Location of Development.

a. *Locate new buildings, access roads, and structures so as to protect agricultural land.*

COSE POLICY SL 3.1: Conserve Important Agricultural Lands.

Conserve the Important Agricultural Soils mapped in Figure SL-1 and listed in Table SL-2. Proposed conversion of agricultural lands to non-agricultural uses shall be evaluated against the applicable policies in the COSE and in the Agriculture Element.

As discussed under Impact AG-1, the proposed changes to the agricultural cluster subdivision ordinance would result in fewer overall impacts related to the conversion of important farmland, when compared to potential development that could be allowed under the existing ordinance. Additionally, the program would retain the existing ordinance standard prohibiting residential development in areas containing prime agricultural soils. As a result, when compared to the existing ordinance, the program would have the effect of reducing potential inconsistencies with Agriculture Element Policy 18 and COSE Policy SL 3.1.

Compared to Existing Conditions

AGRICULTURE POLICY 17: Agricultural Buffers.

a. *Protect land designated Agriculture and other lands in production agriculture by using natural or man-made buffers where adjacent to non-agricultural land uses in accordance with the agricultural buffer policies adopted by the Board of Supervisor.*

The proposed Agricultural Cluster Subdivision Program would require the inclusion of agricultural buffers, consistent with county requirements, which would be located on the residential parcel (rather than on adjacent agricultural land). This provision would ensure that the proposed program would be *consistent* with Agriculture Policy 17.

AGRICULTURE POLICY 18: Location of Development.

a. *Locate new buildings, access roads, and structures so as to protect agricultural land.*

COSE POLICY SL 3.1: Conserve Important Agricultural Lands.

Conserve the Important Agricultural Soils mapped in Figure SL-1 and listed in Table SL-2. Proposed conversion of agricultural lands to non-agricultural uses shall be evaluated against the applicable policies in the COSE and in the Agriculture Element.

As discussed under Impact AG-1, the proposed Agricultural Cluster Subdivision Program would result in between 1,045 and 2,090 acres of important farmland being converted to non-agricultural use in the Inland area, and additional farmland conversion in the Coastal Zone. However, design standards and restrictions intended to limit the impacts to agricultural resources and to preserve agricultural lands outside the disturbance areas have been included for policy consistency, meeting the intent of Agriculture Element and COSE policy to locate development away from agricultural land and to conserve important agricultural soils. Additionally, the program would result in the permanent conservation of agricultural land within five miles of established URLs through the requirement of an agricultural preservation easement. The program is considered *consistent* with Agriculture Policy 18 and COSE policy SL 3.1.

Mitigation Measures. When compared to the existing ordinance, the proposed program revisions would improve consistency with the key Agriculture Element and COSE policies identified above. Additionally, when compared to existing physical conditions (the CEQA baseline), future development pursuant to the Agricultural Cluster Subdivision Program would be *consistent* with Agriculture Element policies 17 and *consistent* with Agriculture Element policy 18 and COSE policy SL 3.1.

Residual Impacts. The program is *consistent* with relevant Agriculture Element and COSE policies.

c. Cumulative Impacts. This section describes the cumulative impacts of the proposed Agricultural Cluster Subdivision Program compared to development potential under both the existing ordinance and existing conditions. The geographic scope for the agricultural resources cumulative analysis is the unincorporated areas of San Luis Obispo County.

Cumulative projects located throughout San Luis Obispo County would gradually convert agricultural land to non-agricultural use. For example, several cumulative projects listed in Table 3.3-1 are large developments proposed on agricultural land. Two examples include the Laetitia and Estrella River Vineyard agricultural cluster subdivision projects. The Laetitia project, located in South County, proposes 102 one-acre residential cluster lots on a 634 acre agricultural property with 627 acres of irrigated vineyards and five acres of irrigated lemon orchards. If approved, the Laetitia project would result in the permanent conversion of 113 acres of existing productive vineyard. Likewise, the Estrella River Vineyard project, located in the North County, proposes 18 new residential cluster lots, resulting in the conversion of approximately 27 acres of farmland.

Compared to Development Potential under the Existing Ordinance

Compared to development potential under the existing ordinance, the proposed Agricultural Cluster Subdivision Program would substantially reduce the amount of development allowed in agricultural areas of the county, and would result in a Class III, *less than significant,* impact related to the conversion of Important farmland. The contribution of the proposed Agricultural Cluster Subdivision Program to a cumulative agricultural resources impact would therefore be insignificant when compared to the existing ordinance. In addition, individual development projects in the region would have the potential to create compatibility conflicts relating to the interface of historic agricultural uses and new urban development. However, the proposed program revisions would reduce these impacts compared to development under the existing ordinance. Cumulative impacts related to land use compatibility would therefore also be beneficial.

Compared to Existing Conditions

As described earlier in this section, cumulative development throughout San Luis Obispo County would gradually convert agricultural land to non-agricultural use. The Agricultural Cluster Subdivision Program would incrementally contribute to this substantial change. Full development potential under the Agricultural Cluster Subdivision Program would be 418 new residential units, with the potential conversion of Important Farmland ranging between 1,045 and 2,090 acres. The program would also allow for the reconfiguration of legally established underlying lots in the Coastal Zone to accommodate residential development; however, given the relatively small number of verified underlying lots in the Coastal Zone and the fact that many of these lots could already be developed in their current configuration with few restrictions, the program is not anticipated to result in a significant number of new cluster lots in the Coastal Zone. Nevertheless, implementation of the program could result in the conversion of important farmland to residential and non-agricultural uses in the Coastal Zone.

Although compared to countywide important farmland, the total acreage converted under the program would be a relatively small percentage, the potential development of 418 new residences and associated conversion of farmland would still be considered a Class I, *significant and unavoidable,* impact (refer to Impact AG-1). Therefore, the proposed Agricultural Cluster Subdivision Program's contribution to cumulative agricultural land conversion would be cumulatively considerable. In addition, individual development projects in the region would have the potential to create compatibility conflicts relating to the interface of historic

agricultural uses and new urban development. However, such conflicts would be addressed on a case-by-case basis, and assuming that conflicts can be resolved through the proper use of buffers and appropriate design, significant cumulative land use compatibility conflicts are not anticipated.

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